

FOR IMMEDIATE RELEASE
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STATE SEEKS PUBLIC COMMENT ON SECOND PHASE OF HOMEOWNER ASSISTANCE GRANT PROGRAM

JACKSON, Mississippi – Homeowners who did not qualify under the original multibillion-dollar grant program have another opportunity to apply for assistance to repair, rebuild or relocate under a second phase that has opened for public comment.

Phase Two of the Homeowner Assistance Grants Program will provide funding up to a maximum of \$50,000 for low to moderate income homeowners whose primary residence suffered flood surge damage from Hurricane Katrina. Such homeowners may qualify regardless of whether they were uninsured or under-insured and regardless of whether their homes were inside or outside the federally delineated flood plain.

The original program covered about 15,000 families and the second phase opens new opportunities for assisting more people, Governor Haley Barbour said.

“We’ve been working with the federal government for months to develop this second phase in order to help as many as 10,000 more families,” Governor Barbour said.

Phase Two includes a special needs feature under which eligible applicants who are age 65 or over, or who are disabled, or who have household income at or below 60 percent of the Average Median Income can get up to an additional \$25,000, or a total of \$75,000.

Also, an additional grant of up to \$30,000 is available to help eligible applicants defray the cost of elevating their homes, if necessary.

Generally, a qualifying homeowner must have a household income at or below 120 percent of the Average Median Income (AMI), or about \$63,000 a year for a family of four.

As with the original program, anyone who receives a grant under Phase Two and is rebuilding will have to elevate their home out of the flood plain, build consistent to the International Building Code/International Residential Code, and carry flood insurance.

In addition, Phase Two grant recipients must agree to a covenant on their property that establishes building code, homeowner insurance, and elevation requirements for them or any future owner of the land; and agree to remain at that site for three years, or relocate elsewhere in George, Greene, Hancock, Harrison, Jackson or Pearl River counties.

Like the initial phase, this second phase of the program will be funded from the \$4 billion that’s been allocated through the U.S. Department of Housing and Urban Development for homeowner assistance grants. The starting point for each individual grant calculation

will be the cost to repair or rebuild the structure based on a damage assessment approved by the Mississippi Development Authority.

In addition to the homeowner grants through the first and second phases, Governor Barbour said the federal government has also allowed the state to allocate \$100 million of the grant funds for restoration of public housing in the three coast counties. The state is also working closely with HUD to fund more restoration of rental housing and other modifications to the original grants program.

Families that have already applied for the original phase of the program or already registered for follow-on programs do not have to re-register to be considered for Phase Two; however, homeowners who are uncertain are encouraged to go ahead and re-register.

This proposed modification – Number 4 Phase II – is open for public comment. Copies of the entire plan are available by written or telephone request from the Mississippi Development Authority call center (866-369-6302), or on the Internet at <http://www.mississippi.org/>. The modification will be available in Vietnamese and Spanish translations at the same Web site.

Written comments regarding this proposed modification may be mailed to the Mississippi Development Authority, Post Office Box 849, Jackson, MS 39205 or sent via facsimile to (601)359-9280. Comments may also be submitted online to hoacomment@mississippi.org. Comments must be received no later than December 8, 2006.

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